

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

January 17, 2007

Dillon, Colorado

I. CALL TO ORDER

The meeting was called to order at 7:06 p.m. by Richard Garcia.

Board members present were Richard Garcia, Bob Price, Paul Hage, Cathy Brosius, Sylvia Dowty and Mike Immordino.

Homeowners present were Barb and Glenn Johnson (S103/104), Lee Vroble (X302), Carla Rigger (G205), Mike Kurth (C101) and Don and Laurel Gardey (Z202).

Representing Basic Property Management was Dan Ulmer. Erika Krainz of Summit Management Resources was recording secretary.

I. APPROVAL OF PREVIOUS MEETING MINUTES

A. October 18, 2006 Board Meeting

Paul Hage made a motion to approve the October 18, 2006 Board Meeting minutes as presented. Sylvia Dowty seconded and the motion carried.

B. October 24, 2006 Budget Meeting

Bob Price noted that Tony Biancarosa participated in the meeting by teleconference. Cathy Brosius made a motion to approve the October 24, 2006 Budget Meeting minutes as amended. Sylvia Dowty seconded and the motion carried.

C. November 17, 2006 Budget Meeting

Bob Price noted that Tony Biancarosa participated in the meeting by teleconference. Bob also said it should be recorded that he had made comments about the 4% management fee increase and the need for a more active role by management. Paul Hage made a motion to approve the November 17, 2006 Budget Meeting minutes as amended. Mike Immordino seconded and the motion carried.

D. December 13, 2006 Board Meeting

Sylvia Dowty made a motion to approve the December 13, 2006 Board Meeting minutes as presented. Paul Hage seconded and the motion carried.

II. OWNER COMMENTS

A. *Comments from the Floor*

Lee Vroble asked why the membership was not invited to attend or informed about the three Board meetings in October, November and December. Bob Price said the date for the first October Budget meeting was announced at the regular October Board meeting and the date for the November Budget Meeting was established and announced at the October Budget Meeting. Lee commented for the record that he felt the membership should have been invited to the other Board meetings and that the schedule should have been announced to the membership.

There was also an informal November Board Meeting with two Board members in attendance for the sole purpose of hearing protests for any fines. It was not a formal meeting.

Carla Rigger said she believed there were Colorado Common Interest Ownership Act (CCIOA) regulations regarding the passage of the budget that specify owners must be allowed to review and approve the budget. She acknowledged that this Association, however, was founded prior to 1992 so it is not required to adhere to all regulations. She also thought there was a requirement for an audit every year. Richard Garcia said this requirement was changed in Senate Bill 89 so that a review but not full audit is now required. She asked the Board to pass a resolution making the Association subject to CCIOA regulations.

Lee Vroble asked if the \$412,000 management fee included the two association-owned units that are occupied by management staff. He proposed selling one of them and banking the funds in the Reserve account. Paul Hage explained that the units were not part of the management fee. They are provided by the Association so there can be on site management staff. He added that the costs are included in the operating budget and have been since the inception of the Association. The management fee would increase if there was not on site housing provided and the Board feels it is in the Association's best interest to have on site management. Carla Rigger did not believe carrying the properties was a good use of Association funds. Dan Ulmer explained that the two units were gifted to the Association by the developer for \$1.00 each in order to provide housing for on site management. Lee Vroble reiterated that felt the 6% increase in the budget was too high.

B. *Comments from the Comment Box*

An owner asked that the wireless connection in the Clubhouse be repaired. Richard Garcia said the wireless in the Clubhouse was for use by the employees and anyone else who uses it does so at their own risk.

IV. RESIDENT MANAGER'S REPORT

Dan Ulmer reviewed his report:

1. Staff has been working on a program to bleed the boilers with a special new valve to eliminate banging and knocking.
2. Two boilers are down right now and there is a frozen pipe in one building.
3. A domestic water pipe broke in a one bedroom unit.
4. The Board approved painting some of the hallways at the December meeting. The light fixtures will be painted white. The carpets eventually will be replaced. Holes are being patched and textured. Notices are being posted in each hall warning that occupants will be responsible for any damage to the walls.

Carla Rigger commented that the pool and spa often were not functioning. Dan Ulmer said it was a constant struggle to keep them operating in a safe and healthy condition. Barb Johnson agreed, noting they were closed four times in one month.

Dan Ulmer reviewed the delinquency list. He noted the length of the list had doubled, mainly because many owners live in Denver and did not get their mail in or out over the holidays due to the storms. One unit in bankruptcy sold. One owner is making payments and is supposed to be caught up shortly. The total balance outstanding was \$49,767 but most are just one month late. There was \$11,200 in dues paid in advance.

V. TREASURER'S REPORT

Paul Hage reported that year-to-date as of December 31, 2006 income was .2% over budget and expenses were 1.1% over budget. There was a year-end surplus of \$17,474, which will be carried forward to the 2007 Operating Budget per the motion at the Annual Meeting.

Significant year-end variances included:

1. Washer/Dryer income – \$6,000 under budget. This figure was adjusted accordingly in the 2007 Budget.
2. Boiler Maintenance – significantly over budget for the year. A total of \$52,600 was spent against budget of \$16,000.
3. Hallway Painting – over budget due to additional work in some areas.
4. Maintenance – \$10,000 over budget.
5. Utilities – under budget. Paul said he expected 2007 expenses would be similar to 2006.
6. Snow Removal – \$17,000 over budget. The 2007 Budget figure was adjusted accordingly.

Capital projects completed in 2006 included parking lot paving, heating system work, work in the pool area to improve the heating and boiler upgrades.

Mike Immordino made a motion to approve the Treasurer's Report as presented. Sylvia Dowty seconded and the motion carried.

VI. FINES AND HEARINGS

There were no owners or tenants present regarding Fines and Hearings.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

The Johnson's commended the staff for the snow removal. Barb Johnson suggested putting up some signs reminding occupants to move their cars for plowing.

Lee Vroble brought up the issue of idling cars. He has already written a few emails to the Board and noted the license plate of the violator. Notice was already sent to all owners but it appears some owners did not receive it. Lee said there were four vehicles left idling this morning. Richard Garcia said he spoke to the Sheriff, who explained the rule was impossible to enforce. Lee wanted to the Board to follow the procedure of issuing a notice and fining the next time.

Bob Price asked the Committee to start thinking about spring projects. Barb did not think the Committee would need any money for the spring.

VIII. OLD BUSINESS

A. Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments

Glenn Johnson said the books were reviewed and all were in order.

B. Dillon Valley East Entry Feature

This issue will be removed from the Old Business portion of the agenda and reintroduced in the spring. The lights at the entrance have been vandalized again. A protective cover can be added.

C. Patio Fence Design

Dan Ulmer contacted the attorney with questions; he should have a response next week and will email it to the Board. It will probably have to involve the Planning Department. Bob Price said this item should be removed from the Old Business portion of the agenda unless there is a plan with specific completion dates.

D. Change Parking Space Allotment

Wayne Ryon was not present and there was no report. This one person committee was disbanded.

E. Loan for Immediate Repairs

Dan Ulmer met with Alpine Bank to discuss an Association loan. The bank is offering 1% over prime and the first year would be interest only. The bank is very flexible and is willing to tailor the program based on the Association's needs. The Board needs to determine which projects need to be done and review the Reserve balance. Paul Hage, Bob Price and Dan Ulmer will meet for a work session during the first week in February.

- F. *Remove Clubhouse Fireplace*
The bottom of the Clubhouse fireplace is damaged and the estimated cost to repair it is \$400. The Board agreed the fireplace should be repaired instead of removed.
- G. *Bid for Painting and Repair of Hallways*
This work has already been started.
- H. *Glycol*
Glycol has been delivered and will be added to the system next week.

IX. NEW BUSINESS

- A. *Xeriscaping Property*
The Board agreed to use the pile of sawdust for mulch. There are some trees that need attention or removal. The mulch will be placed around the property based on the draft architectural plan. There was discussion about xeriscaping some areas to reduce water use and maintenance.
- B. *Form Committee to Review Rules and Regulations*
Past homeowner committees have not worked because some owners have had a specific personal agenda. Cathy Brosius, Mike Immordino Carla Rigger and Don Gardey volunteered to serve on a committee to review the Rules and Regulations. Dan Ulmer will provide ideas and assistance. Any other interested owners should contact the Board. The Committee will meet on Tuesday, January 23, 2007 at 5:00 p.m.
- C. *Rental Unit Committee*
Carla Rigger was invited to provide a list of issues or a mission statement with reasonable proposed solutions to establish a Rental Unit Committee
- D. *Parking Permits to be Issued in April*
The new parking passes will have different colors. Passes will be available at the Clubhouse or can be mailed to owners. There will be a charge of \$75 to replace any lost pass. Management will send a form by mail to all owners; the form will request specific instructions on how the owners would like their parking passes delivered.
- E. *Timeline for Budgeted Maintenance Items and Set Priorities*
Bob Price said the Board needed to set priorities and timelines for the approved projects. The timelines must correspond with the Reserve funding levels. Paul Hage felt the top three issues were related to policy rather than major projects. An owner felt the environmental issues should be highest priority. Dan Ulmer and Richard Garcia will create a list of Reserve projects and an estimated timeline.

F. Board Vacancy

Mike Kurth (C101) was invited to attend the meeting. He introduced himself and provided biographical information. Richard Garcia endorsed Mike Kurth's nomination. Sylvia Dowty made a motion to appoint Mike Kurth to fill the Board vacancy until September 2009. Paul Hage seconded and the motion carried.

G. Pool/Spa Closures

Bob Price said the root cause(s) of the pool closures should be determined and communicated to the owners and owners should follow usage policy in order to provide a safe, clean and open pool and spa. Richard Garcia and Dan Ulmer will add this to their list. Sylvia Dowty proposed posting guidelines and having owners help with policing the regulations.

H. Dillon Valley East Entrance

Bob Price suggested adding a barrel of sand by the stop sign at the entrance to the property. Dan Ulmer recommended against having the Association place a sand barrel due to liability. The County will be asked to sand well in crucial spots.

X. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, February 21, 2007 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

Paul Hage made a motion to adjourn at 9:10 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____

Addendum – Financial Report

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF DECEMBER 31, 2006

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	55,575.36	245,148.76	300,724.12
Other Current Assets	44,595.29		44,595.29
Fixed Assets (net of depreciation)	179,009.13		179,009.13
	<u>279,179.78</u>	<u>245,148.76</u>	<u>524,328.54</u>
Current Liabilities	62,070.63	-42,770.00	19,300.63
Long Term Liabilities	151,164.00		151,164.00
Donated Capital	2.00		2.00
Retained Earnings	48,467.47	242,408.86	290,876.33
YTD Net Income	17,475.68	45,509.90	62,985.58
Total Liabilities & Equity	<u>279,179.78</u>	<u>245,148.76</u>	<u>524,328.54</u>

Operating Fund P&L

	Actual	Budget	Diff
December Total Income	114,227.84	114,389.27	-161.43
December total Expenses	120,266.71	115,691.46	4,575.25
December Net Income	<u>-6,038.87</u>	<u>-1,302.19</u>	<u>-4,736.68</u>
YTD Total Income	1,375,480.51	1,373,270.92	2,209.59
YTD Total Expenses	1,358,004.83	1,373,268.96	-15,264.13
YTD Net Income	<u>17,475.68</u>	<u>1.96</u>	<u>17,473.72</u>

Notes from the Prez

February 3, 2007

Greetings

Board of Mangers Meeting - The next Board meeting will take place Wednesday, February 21st in the clubhouse at 7:00 PM. All (owners and renters) are welcome.

Cold Weather – We are experiencing unusual cold weather this season. Normally, there is a break in the cold allowing snow and ice to be cleared by natural evaporation and melting. As a result of the long cold spell we are having water pipes freeze. Please do not lower your thermostat below 60° F.

Hot Tub Closures – Our hot tub has had to be closed several times recently. It turns out that some users are not showering before entering the wet area. Even though there are four large signs posted on the walls asking users to shower before entering the wet area, these very dirty users enter the hot tub and contaminate the water. I have given our resident manager authority to close the hot tub and start a cleaning process if the chemical levels or amount of contaminants are a threat to ones' health.

We need your help by reporting those that do not shower before entering the wet area. We have cameras watching the wet area, but cannot see if a person has showered in the locker room.

Clubhouse Passes – Owners are issued a clubhouse pass upon purchase of a condominium. If you lost yours, please contact the clubhouse and we can issue you a replacement. Please do not issue your own brand of pass to renters or guests. These types of passes will not be honored. If you have an agent managing your property, please be sure they are using your pass. We will also begin to not honor passes issued by managing agents or companies who print their own passes.

Engines Idling – Please do not allow your vehicle to idle for more then a few minutes for warm up. It has been proven that a vehicle warms up quicker if you start the engine, allow it to idle for about a minute or as long as it takes to remove snow from the vehicle, and then drive off. Idling your vehicle for long periods poses a health hazard to your neighbors and invites vehicle theft. If you have a neighbor who continually idles his / her engine for unusually long times, you may report the event to the clubhouse. We will need the unit number, vehicle description, time, and your name and unit number. We will not use your name on a warning or fine, but if a situation goes to court, you will be called as a witness.

Wireless Internet Connection in Clubhouse – We have a high speed wireless internet connection available in the clubhouse. ***The connection is not secure and use of it is at your own risk.*** The wireless connection is good in the meeting area and marginal in the lounge. If you lose connectivity while in the lounge it may be because there are walls between your PC and the broadcast antenna which is located in an office. Try moving around to get better reception. We will not provide technical support for setting up your PC for wireless connectivity or trouble shoot your connection. The wireless connection may be turned off for any reason at any time. Anyone observed to be connected to a pornography site, conducting illegal transactions, or using the internet connection in a harmful manner will be reported to the police and or asked to leave the clubhouse immediately.

Wet Area Hours – Effective immediately, the wet area hours of operation are 9:00 AM to 8:30 PM. We are experiencing users who will not leave the wet area until 9:00 PM, causing our staff to remain after 9:00 PM while some users change clothing. We apologize for this action, but a few are making it difficult for all.

E-Mail Notification - If you are receiving the minutes by US Mail and instead would like to be notified of their availability on our web site, please send a note to subscribe@dillonvalley.org. Please include your name, unit number, and phone number for verification. Your email address will not be given out or sold to anyone.

Sincerely,

Richard Garcia
President

Email: Richard@DillonValley.org

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

February 21, 2007

Dillon, Colorado

I. CALL TO ORDER

The meeting was called to order at 7:04 p.m. by Richard Garcia.

Board members present were Richard Garcia, Bob Price, Paul Hage, Cathy Brosius, Mike Immordino and Mike Kurth.

Homeowners present were Lee Vroble (X302), Don Gardey (Z202) and Charlotte Assor (T304).

Representing Basic Property Management were Dan Ulmer and Julian Brodie. Erika Krainz of Summit Management Resources was recording secretary.

I. APPROVAL OF PREVIOUS MEETING MINUTES

Bob Price noted Section IX should not indicate that Carla Rigger is the Chairperson of the Rental Committee.

Mike Immordino made a motion to approve the January 17, 2007 Board Meeting minutes as amended. Bob Price seconded and the motion carried.

II. OWNER COMMENTS

A. Comments from the Floor

Charlotte Assor said the salt bucket has disappeared from her building. Julian Brodie will follow up. She commended Julian and his staff for their work on snow removal. She commented there were occasionally problems with cars parked in the driveway late at night with the music turned up loud and the doors open. The Board recommended she call the police in such situations.

B. Comments from the Comment Box

Richard Garcia received a letter from the owner of Unit Z-205 regarding defective zone valves. His valve was replaced five times using valves from two different manufacturers and different lot numbers. The zone valves always failed in the same location.

He also received a letter from an owner in the X Building regarding a parking problem with a neighbor who has been parking too close to the line so the owner cannot get out of his vehicle. Richard sent a letter to all residents in that building asking them to be careful about their parking but he received another letter stating there were still problems so he sent another more strongly worded letter. The

owner's car is now being "egged". A suggestion was made to assign them different parking spots away from each other.

IV. RESIDENT MANAGER'S REPORT

Julian Brodie reviewed his report:

1. Replaced recirculation pump in I Building.
2. The pipes are deteriorating in the B Building and in Richard Garcia's building. The main water feed lines are developing pinhole leaks.
3. Replaced heat pump in O Building.
4. Replaced hot water storage tank in D Building.
5. Jetted main sewer line in O Building. In the process, the hose broke so he has ordered a new one.

Richard Garcia will provide a spreadsheet for Julian to help illustrate the comparison of the contractor costs versus actual costs.

Dan Ulmer met with the Water District regarding the corroded pipes. He brought a section of the corroded pipe from the B Building to the meeting. The Water District was not aware of the problem. It appears it could be caused by electrolysis or from using alum to reduce the pH of the water or if the plumber does not clean the interior of the pipe when it is installed. They recommended having an engineer look at a section of pipe and provide an explanation of the suspected cause. In the meantime, all ground wires connected to the water lines should be disconnected and attached to a different grounding source. Dan has the name of a "Corrosive Engineer" out of Grand Junction who specializes in this field. Dan left a message for the engineer but has not received a call back yet. It should be determined if there is some action that can be taken to stop the problem. The main water line should also be checked for any current running on the line. The Water District will run some tests on the water that would normally be requested by an engineer. Dan knows the Water Department used to use alum in the past to reduce the pH. He will email the cost estimate for the engineer's services to the Board after he speaks to him.

Bob Price thought the Board should confer with the attorney about any potential liability of the Water Department. Richard recommended waiting until the Water District provides a report.

Dan Ulmer reviewed the Delinquency Report and said there had been some positive activity. One bankrupt unit sold and closed and a check should be received by the end of the month. One unit recently provided letter indicating that the mortgage company will be paying the balance due. Another unit will probably go into foreclosure because the owner was deported.

V. TREASURER'S REPORT

Paul Hage reviewed the financial status as of January 31, 2007.

1. Income – 1.2% over budget.

2. Expenses – 12.3% under budget.
3. January Net Income was \$-36,474 because expenses are higher in the first quarter due in part to the large water bill.

Overall the Association was under budget due to lower than budgeted expenses for Gas (\$16,022 under budget), Snow Removal (\$3,247 under budget) and Water and Sewer (\$2,395 under budget). Boiler Maintenance was over budget due to purchase of the new tank.

The delinquent dues balance was \$35,750, down from \$49,800 at the end of December.

The Reserve Fund balance reflected \$-14,900 negative income due to the purchase of glycol (\$14,900).

Dan said he believes the new zone valves have reduced gas consumption especially given the very cold temperatures in January.

Mike Kurth asked what the \$152,788 in Long Term Liabilities represented. Dan Ulmer explained it was the prepaid zone valve deposits.

Cathy Brosius made a motion to approve the Treasurer's Report as presented. Mike Immordino seconded and the motion carried.

Paul Hage said a Reserve Fund Committee was formed (consisting of Paul Hage, Richard Garcia, Bob Price and Mike Immordino) to review the Reserve Fund and the future needs of the complex. A Reserve Study was done in 2003 by a professional company but nothing has been done with the results of the report. The Committee met to develop some preliminary figures and rough timelines. The goal is to have a ten to fifteen year plan with costs in time for the Annual Meeting. Bob Price noted the plan should include an inflation factor for the projected costs. Richard Garcia will distribute the spreadsheet to the Board.

VI. FINES AND HEARINGS

There were no owners or tenants present regarding Fines and Hearings.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

There were no reports from any of these Committees.

VIII. OLD BUSINESS

- A. *Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments*
Richard Garcia will check the books in the morning.

B. Patio Fence Design

Paul Hage checked with Planning and Building Departments and there are no restrictions on fences under 6' high.

There is still some detail work to be completed before the project can be started. Cathy Brosius will send the information to all Board members for review.

C. Loan for Immediate Repairs

Paul Hage recommended the Board develop the list of projects and the timeline before addressing how to pay for them. The loan discussion should be addressed by the Reserve Fund Committee. This item will be deleted from future agendas.

D. Glycol Update

Julian Brodie reported that 70% of the buildings now have glycol in the systems. He purchased eight drums today and will finish putting it in the remaining buildings. The glycol will keep the pipes from freezing and lubricate the pumps and zone valves.

E. Rules and Regulations Review

Cathy Brosius sent the revised Rules and Regulations to the Board members and received feedback. She made changes to some of the Rules to eliminate conflicting statements. She will send the final draft to Richard Garcia and he will forward it to the rest of the Board.

Bob Price wondered what it would cost to have a private security patrol for a few hours in the morning from 6 – 9 a.m. and at night from 9 p.m. – 12 a.m. Dan Ulmer will follow up.

F. Timeline for Reserve Projects

Richard Garcia and Dan Ulmer will develop a timeline for Reserve projects. Potential projects include parking lot expansion, completion of the bike path, and security doors. Adding glycol has already been approved. They will determine which parking lots need to be expanded and the estimated cost, and which doors need to be replaced first and the cost. A timeline does not need to be developed for siding or balcony replacement since they are both done as needed. The paving should be postponed until the cost of asphalt comes down if possible.

Charlotte Assor said the door closers were working well and Don Gardey said the new paint really brightened up the hallway.

G. Playground Equipment

Cathy Brosius provided catalogues for playground equipment. Some systems are modular and could be installed in sections. Cathy will get prices and provide a

recommendation. The Board agreed to a budget of \$10,000. The goal is to have the equipment installed by June 1, 2007.

IX. NEW BUSINESS

A. After Hours Pool Use

Julian Brodie said there was a tenant who refused to leave the pool facility after closing time. Richard Garcia will send a letter to the unit owner with a copy to the tenant explaining that there may be fines levied and/or suspension of use privileges if there are future violations. The police can also be called if the tenant does not comply with staff requests.

B. Architectural Review Committee

Richard Garcia would like to establish an Architectural Review Committee to handle requests for satellite dishes and the fences. He spoke with a volunteer already and appointed Mike Immordino and Cathy Brosius to the Committee. Dan Ulmer suggested having an owner member, preferably someone who lives at the property full time, as well. Richard will solicit the owners regarding their interest.

C. Annual Meeting

The Annual Meeting will be September 22, 2007 at 9:00 a.m. in the Clubhouse. The deadline for owners to self nominate to run for a Board seat is July 24, 2007. The deadline for the Nominating Committee (yet to be appointed) to submit candidate suggestions will be August 23, 2007. Cathy Brosius and Sylvia Dowty will both be up for reelection and both have expressed their willingness to run for additional terms.

X. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, March 21, 2007 at 7:00 p.m. in the Clubhouse. Bob Price mentioned that he would not be able to attend as he will be out of the country.

XI. ADJOURNMENT

A motion was made to adjourn at 8:30 p.m. The motion was seconded and carried.

Approved By: _____
Board Member Signature

Date: _____

Addendum

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF JANUARY 31, 2007

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	38,219.34	244,046.67	282,266.01
Other Current Assets	(31,893.96)		(31,893.96)
Fixed Assets (net of depreciation)	179,009.13		179,009.13
	<u>185,334.51</u>	<u>244,046.67</u>	<u>429,381.18</u>
Current Liabilities	66,863.32	(42,770.00)	24,093.32
Long Term Liabilities	152,788.00		152,788.00
Donated Capital	2.00		2.00
Retained Earnings	65,943.15	287,918.76	353,861.91
YTD Net Income	<u>(36,474.04)</u>	<u>(1,102.09)</u>	<u>(37,576.13)</u>
Total Liabilities & Equity	<u>249,122.43</u>	<u>244,046.67</u>	<u>493,169.10</u>

Operating Fund P&L

	Actual	Budget	Diff
January Total Income	122,649.00	121,197.99	1,451.01
January total Expenses	<u>159,123.04</u>	<u>181,367.42</u>	<u>-22,244.38</u>
January Net Income	<u>-36,474.04</u>	<u>-60,169.43</u>	<u>23,695.39</u>

Gas expense is under budget by \$16,022.24. We budgeted an 11% increase in rates but rates have not gone up at this time.

Snow removal is under budget by \$3,247.02

Water & sewer is under budget by \$2,395.39. We budgeted a rate increase which we have not been assessed at this time.

Notes from the Prez

March 12, 2007

Greetings

Board of Mangers Meeting - The next Board meeting will take place Wednesday, March 21st in the clubhouse at 7:00 PM. All (owners and renters) are welcome.

Architectural Review Committee – We would like to establish an Architectural Review Committee to review requests by owners who wish to make modifications to their units, build/modify patio fences, install clothes washers and dryers, install microwave dishes, and other miscellaneous installations and repairs. The committee would be composed of at least one Board member and perhaps two owners. Knowledge of construction techniques, DVE Rules, and DVE Declarations is required. Committee members would communicate with each other when a request is submitted by owners for construction, repair, or installation. If you like to nominate yourself, please send an email to:

richard.garcia@DillonValley.org

or contact

Dan Ulmer at 970-668-0714

The Board of Managers will approve applicants.

Parking Tags – In April, we will distribute new parking tags. The old tags will not be honored after April 30th. Applications will be mailed to all owners and are available on-line at:

<http://dillonvalley.org/rules.html>

This will be an annual item to help us with the parking situation and allow us to update our records of owners and renters.

If you have a rental agent handling your property, it is **your responsibility** to notify them of the change of parking permits.

Heating Valve Project – We will resume the replacement of heating valves in units that were not gotten too before winter. Owners of units still to be visited will be notified of the visit. Before the project starts, we verify that we have an entry key to the affected units. If we do not have a key, a replacement key will be requested from the owner. If a key is not produced, we will have a locksmith create a key and the charge will be added to the valve replacements.

E-Mail Notification - If you are receiving the minutes by US Mail and instead would like to be notified of their availability on our web site, please send a note to subscribe@dillonvalley.org. Please include your name, unit number, and phone number for verification. Your email address will not be given out or sold to anyone.

Sincerely,

Richard Garcia
President

Email: Richard@DillonValley.org

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

March 21, 2007

Dillon, Colorado

I. CALL TO ORDER

The meeting was called to order at 7:01 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Paul Hage, Cathy Brosius, Mike Immordino and Mike Kurth.

Homeowners/tenants present were Lee Vroble (X302), Carl Henry (J202), Breck Wittaran (BB101), Tom Lorenz (X103), Barb and Glenn Johnson (S103) and Robert Israelsky (E205).

Representing Basic Property Management were Dan Ulmer and Julian Brodie. Erika Krainz of Summit Management Resources was recording secretary.

I. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the February 21, 2007 Board Meeting minutes as presented. Mike Kurth seconded and the motion carried.

II. OWNER COMMENTS

A. Comments from the Floor

Breck Wittaran said his building had experienced a number of main line problems resulting in flooding in his unit. He requested the lines be cleaned preventatively as a spring maintenance project. He also mentioned that the bench outside his unit needed to be tightened to the wall. He requested waiver of a \$50 parking fine he received when he forgot to put his parking tag on his car mirror (Dan Ulmer had said he would reverse the charge). Sylvia Dowty made a motion to waive the fine and fees of \$52.13. Mike Immordino seconded and the motion carried.

B. Comments from the Comment Box

There were no comments received.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. Removed a bad section of hot water pipe in B Building.
2. Cleaned out the sewer line in G Building.
3. Replaced a heat pump in Y Building
4. Replaced a gas valve and diaphragm in Q Building
5. Replaced a heat pump in H Building.
6. Replaced 40' of bad pipe in T Building.
7. Installing a tile floor in Manager's office.
8. Men's sauna is being redone.
9. Turner Morris provided a proposal for a cold roof; this could be constructed on one building as a test to reduce ice buildup in front of the buildings.

10. Moving ground wires and putting in anodes in pipes to address corrosion.

Delinquency Report

Dan Ulmer reviewed the Delinquency Report. Funds were received from the bankruptcy court for a foreclosed unit. It appears the first four units on the list will go into foreclosure. The balances due for the rest of the units on the list are mainly timing issues. The total delinquent balance was \$31,685 and there was a balance of \$8,850 for dues paid in advance. Overall, the number of significant delinquencies is going down.

V. TREASURER'S REPORT

Paul Hage reviewed the financial status as of February 28, 2007.

1. Income – 0.6% over budget for the month of February; 0.9% over budget year-to-date.
2. Expenses – 18% under budget for the month of February; 14.6% under budget year-to-date.
3. Net Income was \$19,192 for the month of February; a (\$17,638) loss year-to-date against a budgeted loss of (\$65,000) due to payment of the quarterly water bill.

Major variances included Gas (\$37,290 under budget), Snow Removal (\$5,304 under budget), Damage Claims (\$2,015 under budget) and Water and Sewer (\$2,395 under budget). Boiler Repair was \$4,317 over budget, mainly due to replacement of a hot water storage tank in January.

The Accounts Receivable balance was down \$4,000 from last month.

For the month of February, the Reserve Fund had income of \$13,873 and \$20,883 in expenses. The most significant expense was for the purchase of glycol for the boilers, which the Board authorized at a previous meeting. Year-to-date income was \$27,670 and expenses were \$35,782, resulting in (\$8,112) negative income.

Sylvia Dowty made a motion to approve the Treasurer's Report as presented. Cathy Brosius seconded and the motion carried.

VI. FINES AND HEARINGS

There were no owners or tenants present regarding Fines and Hearings.

Richard Garcia said there had been an issue last month with the tenant in E205 (Robert Israelsky) and his use of the Clubhouse facilities was restricted for the past month. He summarized the violations that had occurred. Robert Israelsky responded that he used the pool to swim laps and he was not aware that anyone was waiting for him to leave to close the facility. He said he also had mixed messages about the closing time from the various attendants. He said he was never escorted out by a Manager and never refused to leave the facility as claimed by one of the attendants. He apologized for any misunderstanding.

Richard Garcia noted the pool hours had been changed about three months ago; the pool now closes at 8:30 p.m. and guests are asked to leave the building by 8:45 p.m. The Board agreed to reinstate Robert Israelsky's Clubhouse privileges on a probationary basis.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Barb Johnson said she walked the property and was pleasantly surprised to find less dog waste than last year. She would like to start mulching all areas that were weeded last year using the four-wheeler and trailer. She would also like to buy some edging to contain the mulch along the sidewalk and some weed killer. It was noted that the edging was included in the budget so the project was approved.

She noticed an electrical cord running from the third floor of the U Building to the parking lot. Richard Garcia said this was not permitted and it would be removed.

VIII. OLD BUSINESS

A. *Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments*

Glenn Johnson checked all books and reported all were in order.

B. *Patio Fence Design*

Paul Hage checked with the County and was told no permits would be needed for patio fence construction. Cathy Brosius contacted a technical representative from Trex, who indicated the 4x4's could be put in the ground with concrete as posts. She updated the specs and is working on updating the drawings. She should be finished by the end of next week. The Board will need to pass a Resolution regarding this project at the next Board Meeting.

C. *Reserve Capital Spending Committee*

The Committee met last Monday to review the Reserve Study. Their goal is to have a completed plan prepared in time for the Annual Meeting. Dan Ulmer will meet with Burke Engineering. They will research energy efficient boilers to replace the existing as they fail.

D. *Rules and Regulations Review*

Cathy Brosius provided a revised copy of the proposed Rules and Regulations. The occupancy guidelines are driven by the Planning Department, but the Board agreed the specifications were unreasonable and unenforceable.

Richard Garcia will send a draft copy to the membership for comments; they will be formally approved at the next Board Meeting.

Richard Garcia will send thank you letters to all Committee members.

E. *Playground Equipment*

The Board previously approved \$10,000 for new playground equipment. Dan Ulmer said he was told all equipment would have to be installed by a certified person. New equipment is being installed at Lake Dillon Preschool and they estimate the cost will be about \$70,000, mainly for labor. Dan will check with the Association's insurance company regarding their requirements.

F. Zone Valves

Dan Ulmer hopes to be able to start the zone valve project in May.

IX. NEW BUSINESS

A. Reissue Parking Tags

New tags are ready to be sent out to all owners. Owners will be asked to turn in their old tags. Each unit will be issued two new passes in the new color.

B. Replacement of Heat Shut-Off Valves and Heat Zone Valves

Dan Ulmer said many of the keys he was given by unit owners did not work last year when the contractor was on site. He has asked his staff to do a thorough review of all keys to make sure they work. He would like to implement a Master system. Some unit door locks are original and barely function. This project should be added to the long range plan as an Association expense. Management is required to have access to the units for emergency purposes. Dan Ulmer will provide a proposal.

C. Professional Security Service

Dan Ulmer said it was difficult to find a security service in the area. He spoke to the Sheriff and was told security staffing would cost about \$45/hour with a minimum of 20 hours/week. The Board agreed to table this idea due to the expense.

D. Carpet Cleaning

Four Kings is offering very competitive rates for carpet cleaning during their slow season. Prices are as follows: 1 Bedroom - \$97.00; 2 Bedrooms - \$123.00; 3 Bedrooms - \$184.00 and Studio - \$85.00.

E. X Building Dumpster

Lee Vroble said the dumpster by the X Building was damaged. Julian Brodie said he was aware of it.

X. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, April 18, 2007 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

Cathy Brosius made a motion to adjourn at 8:09 p.m. Sylvia Dowty seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF FEBRUARY 28, 2007

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	48,360.37	237,036.55	285,396.92
Other Current Assets	27,571.06		27,571.06
Fixed Assets (net of depreciation)	179,009.13		179,009.13
	<u>254,940.56</u>	<u>237,036.55</u>	<u>491,977.11</u>
Current Liabilities	51,939.13	(42,770.00)	9,169.13
Long Term Liabilities	154,694.00		154,694.00
Donated Capital	2.00		2.00
Retained Earnings	65,943.15	287,918.76	353,861.91
YTD Net Income	(17,637.72)	(8,112.21)	(25,749.93)
Total Liabilities & Equity	<u>254,940.56</u>	<u>237,036.55</u>	<u>491,977.11</u>

Operating Fund P&L

	Actual	Budget	Diff
February Total Income	121,967.71	121,197.99	769.72
February total Expenses	102,775.39	125,879.54	-23,104.15
February Net Income	<u>19,192.32</u>	<u>-4,681.55</u>	<u>23,873.87</u>
	Actual	Budget	Diff
YTD Total Income	244,616.71	242,395.98	2,220.73
YTD total Expenses	262,254.43	307,246.96	-44,992.53
YTD Net Income	<u>-17,637.72</u>	<u>-64,850.98</u>	<u>47,213.26</u>

YTD:

Gas is under budget by \$37,290.43

Boiler Repair is over budget by \$4,317.34 - had to replace a hot water storage tank.

Snow removal is under budget by \$5,304.19

Damage Claims is under budget by \$2,014.65

Water & Sewer is under budget by \$2,395.39

Notes from the Prez

April 4, 2007

Greetings

Next Board of Mangers Meeting - The next Board meeting will take place Wednesday, April 18th in the clubhouse at 7:00 PM. All owners and renters are welcome.

Architectural Review Committee – Our co-chairs for the Architectural Review Committee are Cathy Brosius and Mike Immordino. All requests for satellite installations, washer/dryer installation, remodeling, etc. will be taken by them. We would like to have a few more volunteers who are owners on the committee. If you would like to be part of the committee, please send me a note at richard.garcia@dillonvalley.org or leave a message with the clubhouse office at 970-468-1371

Parking Tags – New parking tags for 2007 are available. You have four ways to get your tags. You may: (1) Pick up the permits at the clubhouse, (2) Fill out a Parking Permit Request on-line, (3) Mail in the form, (4) FAX the form to the clubhouse.

A registration form **MUST** be filled out to receive new tags. We are asking you to fill out a Parking Permit Request again because there is a high turn over of residents and we need to update our records.

Included with this mailing is a Parking Permit Request. Please return it as soon as possible or go on line and fill out the form at www.DillonValley.org.

Enforcement of new parking permits will begin May 1st.

If you have a rental agent or tenants, it is **your responsibility** to notify your tenants or rental agent of the change of parking permits. Fines will be levied against the unit owner.

Rules and Regulations – The Rules and Regulations have been updated. They are included with this mailing. You may submit comments to the Board of Mangers at the next Board meeting on Wednesday, April 18th or send comments by mail, or email. The revised Rules and Regulations will have a final vote on the 18th.

Send comments to:

Dillon Valley East Condominium Association
PO Box 4941
Dillon, CO 80435
email: clubhouse@DillonValley.org

Patio Fences – The Board of Mangers will begin finalization of specifications for fences that owners of first floor units may construct. The installation of fences will be voluntarily installed and paid for by the individual unit owners. The Board views fences installation as an enhancement to the property and an increase in value to our unit properties. Drawings and specifications will be posted on the web site and at the clubhouse.

Heating Valve Project – We will resume the replacement of heating valves in units that were not gotten too before winter. Owners of units still to be visited will be notified of the visit. Before the project starts, we verify that we have an entry key to the affected units. If we do not have a key, a replacement key will be requested from the owner. If a key is not produced, we will have a locksmith create a key and the charge will be added to the valve replacements.

How are our dues spent? – Included is a pie chart showing how our dues for 2006 were spent. Your Board of Mangers and Basic Property Management are diligent in the way money is being spent. As I have said before, the age of our buildings require a significant investment of money for repair and parts.

Watch where you step – The snow has melted and a lot of dog droppings have appeared. Most of our dog owners are respectful and pick up after their pet. But a few make it difficult for all. Our maintenance staff is trying to keep up with the new appearances of droppings. So until they can catch up with the litter, watch your step.

E-Mail Notification - If you are receiving the minutes by US Mail and instead would like to be notified of their availability on our web site, please send a note to subscribe@dillonvalley.org. Please include your name, unit number, and phone number for verification. Your email address will not be given out or sold to anyone.

Sincerely,

Richard Garcia
President

Email: Richard@DillonValley.org

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING**

**April 25, 2007
Dillon, Colorado**

I. CALL TO ORDER

The meeting was called to order at 7:05 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Cathy Brosius, Mike Immordino and Bob Price.

Homeowners/tenants present were Lee Vroble (X302), Jeff Schramm (I205) and Barb and Glenn Johnson (S103).

Representing Basic Property Management were Dan Ulmer, Lanelle Barnett and Julian Brodie. Erika Krainz of Summit Management Resources was recording secretary.

I. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the March 21, 2007 Board Meeting minutes as presented. Mike Immordino seconded and the motion carried.

II. OWNER COMMENTS

A. Comments from the Floor

Lee Vroble said he was having a problem with his automatic dues transfers. Twice in the past four months there were two transfers made in one month resulting from late posting of the dues by Basic Property Management. This is causing him problems due to the type of bank account he uses. He asked that the Board look into this and establish a set date for transfers every month. Lanelle Barnett agreed to research the situation.

Jeff Schramm said some rental tenants moved in to his building and damaged the hallway walls. Dan Ulmer said he had spoken to the rental agent about the situation and she agreed to take care of the repairs. The tenants also have three vehicles parked in the lot. Dan Ulmer will follow up.

B. Comments from the Comment Box and from the Floor

1. Unit U201 suggested renting the storage closets that are located on the first floor of some buildings, with the first floor units having first right of refusal. Dan Ulmer said the closets were limited common area and all are currently in use. Dan felt use of the closets should be an arrangement between the owners as usage is not specified in the Declarations and Bylaws. The closets were originally designed for storage of cleaning supplies.
2. Unit X302 presented a complaint about the parking situation in the X Building lot. He felt there should be better enforcement. Sylvia Dowty said the cars in the lot have been checked several times when he has complained, and each time management found all cars were legal and had valid tags. The owner supported the idea of hiring a professional company to provide security services.

3. Unit I205 thanked management for their help and responsiveness this winter when there were frozen pipes.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. Replaced heat and motor for J Building.
2. Cleaned out main sewer line for the Clubhouse.
3. Cleaned out sewer line for Units H105 and H103.
4. Cleaned out main sewer in BB Building.
5. Replaced heat pump coupler in W building.
6. Serviced all Toro mowers, changed oil and greased bearings.
7. Fertilized the grounds.
8. Serviced the ATV and changed oil in the big truck.
9. Redoing all filter systems in the pool room.
10. Rebuilding sauna in men's locker room. Installing tile in the men's steam shower.

Actual total cost was \$2,610 versus contractor estimated cost of \$4,990.

Delinquency Report

Dan Ulmer reviewed the Delinquency Report. The first seven are either making payments or are in foreclosure. The remaining amounts are fines, interest penalties or other timing issues.

V. TREASURER'S REPORT

Lanelle Barnett reviewed the financial status as of March 31, 2007.

A. Operating Fund P&L

1. Income – 1% over budget for the month of March.
2. Expenses –2% over budget for the month of March.
3. Net Income - \$5,108 for the month of March. The Association was operating with a \$12,650 loss year-to-date against a budgeted loss of \$58,766.

Significant variances year-to-date included:

1. Gas - \$42,670 under budget.
2. Boiler Repair - \$6,350 over budget due to replacement of hot water storage tank.
3. Repaint Hallways - \$5,175 under budget due to timing of project.
4. Snow Removal - \$5,567 under budget.
5. Damage Claims - \$3,227 under budget.
6. Water and Sewer - \$2,395 under budget.
7. Clubhouse Maintenance - \$3,880 over budget due to purchase of new monitor for security system.
8. Truck/ATV Expense - \$3,142 over budget.

VI. FINES AND HEARINGS

There were no owners or tenants present regarding Fines and Hearings.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Barb Johnson said she purchased edging for the front of the clubhouse but it has not been installed due to the snow. She mentioned their front door was getting banged up and wondered if this was happening anywhere else. The fencing company will provide an estimate per the approved plans.

VIII. OLD BUSINESS

A. *Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments*

Glenn Johnson checked all books and reported all were in order.

B. *Patio Fence Design*

Cathy Brosius sent out drawings. A suggestion was made to use a 2" x 4" bottom Trex board resting on the ground to eliminate sag. The grass could be sprayed around the fence so it does not have to be mowed or the border could be covered with gravel. The drawings are up on the bulletin board in the Clubhouse. She provided specs to the Board for review.

Lee Vroble said he thought the original decision was to put up fences for all units. Richard Garcia responded that the Board determined it was not financially feasible. Lee objected to the fact that the fenced area was larger than the area enclosed by the balconies above. He felt this would unfairly increase the value of ground floor units. He thought the Board's approach was improper, i.e. giving owners land that does not belong to them. Barb Johnson pointed out the enclosed area was the same size as the existing original fenced areas. Lee thought the Board had established a policy to remove the original fences whenever a unit changes ownership. Richard Garcia thought this policy had been changed. Dan Ulmer said the attorney had reviewed the documents. The enclosures will not be the property of each individual owner, but the owner will be responsible for maintaining the landscaping and fence. Cathy pointed out the specifications for building a fence was included in the original Rules and Regulations.

Bob Price summarized Lee's position:

1. He wants the Board to research the policy on erection and removal of fences.
2. He objects to the Board's current new fence proposal.

Lee also commented that although he volunteered to serve on the Fence Committee, he was never contacted about any meetings. It appears to have fallen through the cracks when Ed Lee resigned.

C. *Reserve Capital Spending Committee*

Bob Price said he was still in the process of updating the Capital Plan expenses. He believes most major items have been identified; he is now updating the quotes and verifying timing. He should have the update finished by the end of the summer. He anticipated there would be dues increases in the coming years.

Dan Ulmer provided a proposal from an engineer who could be consulted about the efficiency of the boilers.

D. Rules and Regulations Review

Cathy Brosius said the Rules and Regulations had been distributed to the owners and to the Board. They are posted on the website and were sent out with the last meeting minutes. No comments were received from owners. Lee Vroble suggested waiting another month before approving since some owners, including him, did not receive them. Cathy agreed to post them on the website and on the bulletin board in the Clubhouse. Owners will be asked to provide any feedback by May 9th.

E. Architectural Review Committee

This issue was continued until next month.

F. Playground Equipment

Cathy Brosius selected some equipment with Julian and is ready to place an order. It was determined that the insurance carrier does not require extra insurance or installation of the equipment by a specialist.

G. Zone Valves and Key Verification

Dan Ulmer said the valve replacement project would probably start up again sometime in mid-May. The valves in all lower units except for five buildings still need to be replaced. The project should be completed by the end of August. Owners will be notified by mail about the project schedule.

The Fire Department would like a key box on the exterior of each building with a master that opens all interior doors. Dan Ulmer contacted a person who specializes in keying large complexes. He would provide a lock similar to the Schlage lock on the front door, and a deadbolt. One key would fit all three locks and there would be a tiered master system so there would be one key for the Property Manager that fits the entire complex. The Declarations specify that the management company should have access to every unit in case of emergency. The cost would be \$86/unit plus labor. Cathy Brosius suggested making the program available to owners at their expense and making it clear that if they opt not to participate, their door could be kicked in for an emergency and the owner would be responsible for replacement.

Bob Price said he was not generally in favor of a master key system. He thought owners and/or tenants would probably change out their locks over time and it would be difficult to make sure that everyone is aware of the master system requirement.

Dan Ulmer will have the contractor make a presentation to the Board and the information can then be presented to the owners at the Annual Meeting.

H. Parking Permits

Permits are available at the Clubhouse and residents are picking them up daily. The existing permits will expire as of May 1st.

IX. NEW BUSINESS

A. Fire in G Building

A fire occurred in the G Building on Saturday, April 14, 2007. It appears to have structurally damaged four units. All other units had to be evacuated as a precaution. Investigations by various departments are underway and the Board is waiting for instructions from the attorney. The cause has not yet been determined and it is not known when residents will be able to return to their units.

Richard Garcia thanked the American Red Cross, Dillon Fire Rescue, Timberline Disposal, the Red White and Blue Fire Department, Abracadabra Plumbing (for plumbing work), All Electric (for electrical inspection), Church of Latter Day Saints (for arranging for furniture exchange), Colorado Tents and Events (for erecting a tent for furniture), Copper Mountain Resort (for donating furniture), Littlehorn Engineering (for inspections), Omni Real Estate aka Sylvia Dowty (for loan of a truck to move the victim's belongings) and the Sheriff's Department. Sylvia Dowty added that Richard Garcia's experience with the Red Cross was very valuable.

B. American Red Cross Shelter

Richard Garcia said the American Red Cross likes to establish shelters for potential emergencies. He proposed providing the Clubhouse as a shelter for their use when needed, probably only about once per year, to house 15 – 20 people. The Red Cross would provide all manpower and food. They would inventory the building as well as the condition and once finished, they would reinspect and repair any damages. The Board approved this proposal. Richard will present it to the Red Cross.

C. On Site Security Service

Bob Price reiterated his interest in getting accurate cost estimates for an on site security service. He volunteered to do the research and to provide the information to the Board. Richard Garcia appointed him Chairman of the Security Committee.

X. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, May 16, 2007 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

Sylvia Dowty made a motion to adjourn at 9:00 p.m. Mike Immordino seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____

Addendum: Financial Report for March, 2007

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF MARCH 31, 2007

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	49,832.74	249,798.19	299,630.93
Other Current Assets	27,171.26		27,171.26
Fixed Assets (net of depreciation)	179,009.13		179,009.13
	<u>256,013.13</u>	<u>249,798.19</u>	<u>505,811.32</u>
Current Liabilities	47,832.07	(42,770.00)	5,062.07
Long Term Liabilities	154,886.00		154,886.00
Donated Capital	2.00		2.00
Retained Earnings	65,943.15	287,918.76	353,861.91
YTD Net Income	<u>(12,650.09)</u>	<u>4,649.43</u>	<u>(8,000.66)</u>
Total Liabilities & Equity	<u>256,013.13</u>	<u>249,798.19</u>	<u>505,811.32</u>

Operating Fund P&L

	Actual	Budget	Diff
March Total Income	122,451.96	121,197.99	1,253.97
March total Expenses	117,344.12	115,112.57	2,231.55
March Net Income	<u>5,107.84</u>	<u>6,085.42</u>	<u>-977.58</u>
YTD Total Income	367,068.67	363,593.97	3,474.70
YTD total Expenses	379,718.76	422,359.53	-42,640.77
YTD Net Income	<u>-12,650.09</u>	<u>-58,765.56</u>	<u>46,115.47</u>

YTD:

Gas is under budget by \$42,669.91

Boiler Repair is over budget by \$6,350.01 - had to replace a hot water storage tank

Repaint hallways is under budget by \$5,175.00. Timing difference

Snow removal is under budget by \$5,566.81

Damage Claims is under budget by \$3,226.76. Will make up with fire damage.

Water & Sewer is under budget by \$2,395.39

Clubhouse maintenance is over budget by \$3,880.39 - bought new monitor for security system.

Truck/ATV expense is over budget by \$3,142.22

**DILLON VALLEY EAST CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING
May 16, 2007
Dillon, Colorado**

I. CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Richard Garcia.

Board members present were Richard Garcia, Sylvia Dowty, Cathy Brosius, Mike Immordino, Paul Hage, Mike Kurth and Bob Price.

Homeowners present were Lee Vroble (X302), Jeff Schramm (I205), Barb and Glenn Johnson (S103) and Wayne Ryon (G306).

Representing Basic Property Management were Dan Ulmer, Lanelle Barnett and Julian Brodie. Erika Krainz of Summit Management Resources was recording secretary.

I. APPROVAL OF PREVIOUS MEETING MINUTES

Sylvia Dowty made a motion to approve the April 25, 2007 Board Meeting minutes as presented. Cathy Brosius seconded and the motion carried.

II. OWNER COMMENTS

A. Comments from the Floor

Wayne Ryon asked if there was a date set when owners would be allowed to reoccupy G Building. Richard Garcia said there was no set date yet. There are procedures that have to be followed before occupants can move back into the building.

For the record, Lee Vroble thought there was a statement in the previous meeting minutes regarding the parking situation that was not truthful. He felt it was a reflection on his integrity and inferences could be made from that statement.

IV. RESIDENT MANAGER'S REPORT

Julian Brody reviewed his report:

1. Working on the sauna.
2. Two bad hot water tanks need to be replaced at a cost of \$3,000 each. One more will also need to be purchased for the inventory.
3. Expansion tank needs to be replaced.
4. Turned temperatures down on boilers.
5. There are twelve malfunctioning pressure relief valves on boilers that need to be replaced at a cost of \$400 each.

Delinquency Report

Dan Ulmer reviewed the Delinquency Report. The top eight names are the same as last month. The first three owe significant amounts of dues and attorney fees. The son of the third owner is making payments. Bob Price asked for a more detailed breakdown of the amounts due over \$2,000. The total amount due was \$33,886 and there was \$11,385 in dues paid in advance.

V. TREASURER'S REPORT

Paul Hage reviewed the financial status as of April 30, 2007.

A. Operating Fund P&L

1. Income – 1.2% above budget for the month of April and 1.1% above budget year-to-date.
2. Expenses – 3.4% over budget for the month of April and 6.1% under budget year-to-date.
3. Net Income - -\$43,445 for the month of April. The Association was operating with a \$57,837 loss year-to-date against a budgeted loss of \$98,288.

Significant variances year-to-date included:

1. Gas - \$47,946 under budget due to lower rates and warmer temperatures.
2. Boiler Repair - \$6,791 over budget due to replacement of a hot water storage tank.
3. Repaint Hallways - \$7,184 under budget due to timing of projects.
4. Snow Removal - \$6,536 under budget.
5. Damage Claims - \$8,048 over budget. Some of this total should be recouped.
6. Water and Sewer - \$4,791 under budget.
7. Clubhouse Maintenance - \$3,696 over budget.
8. Truck/ATV Expense - \$2,592 over budget.
9. Pool/Spa/Sauna - \$7,036 over budget.

Lanelle Barnett will set up a separate fund for G Building fire-related expenses to facilitate tracking.

Lanelle was also asked to provide a spreadsheet with columns for actual, year-to-date and total budget figures by account.

Reserve Fund

1. Net Income - \$13,987 for the month of April and \$55,678 year-to-date.
2. Expenses – \$37,042 for glycol.
3. Net Income – \$18,636.

Richard Garcia said the attorney fees would be higher as he was being consulted on a regular basis regarding fire-related issues.

Bob Price raised a few questions on the transaction register:

1. Water Hammer Arrester - \$587. Julian Brodie confirmed purchase of this item.
2. Key charges for individual units – Bob wondered if the owners should be rebilled for cutting the keys. Dan Ulmer said the charge would be passed on to the owners.
3. There appeared to be three duplicate entries – Lanelle Barnett is aware of them and made corrections that will be reflected in the May financial reports.
4. High expenses for purchase of cables – Julian said they were cables that were needed for the new surveillance system.

Mike Immordino made a motion to approve the Treasurer's Report. Sylvia Dowty seconded and the motion carried.

VI. FINES AND HEARINGS

There were no owners or tenants present regarding Fines and Hearings.

VII. BUILDINGS AND GROUNDS AND LANDSCAPING COMMITTEES

Barb Johnson said they had placed mulch around the Clubhouse, sidewalk and sign. They will not be available for any additional work but have provided a list of projects still to be completed. She was concerned about where the mulch was being dumped. Dan Ulmer thought there was enough mulch and the deliveries will be stopped.

She noted the S Building Unit 202 balcony was falling apart.

The Johnson's were thanked for their work around the complex.

VIII. OLD BUSINESS

A. Key Verification

Joe Needham provided a presentation on Schlage locks and the key system he was proposing:

1. Three grand masters for the complex. Richard Garcia suggested making more grand master subgroupings to reduce the number of locks that would have to be rekeyed if a grand master is lost.
2. One grand master would be placed in a Knox box on each building. Only Fire Department personnel would have access to the grand masters.
3. Each building would have an individual master for maintenance personnel.
4. He recommends using a Schlage lock and key system due to the number of pin combinations available.
5. Rekeying the unit doors would be an individual owner expense.
6. The assignment of the cost for the common exterior doors will need to be determined.

Richard Garcia recommended presenting this proposal to the owners at the Annual Meeting. He thought rekeying should be mandatory. Paul Hage was concerned about the number of expenses the owners were being asked to pay in a short period of time.

Bob Price felt this project should be prioritized among all other upcoming projects before presenting it to the owners. He thought Dan Ulmer should develop a detailed plan for key control. Dan asked Bob to assist in the process.

B. Review of Security Inspection Book, Hallway Cleaning Schedule Book, Boiler Inspection Book and Public Comments

Glenn Johnson checked all books and reported all were in order.

C. Patio Fence Design

Cathy Brosius and Paul Hage presented the details of the specifications for the patio fencing including the construction materials and agreement form. Paul said the Board approved the patio fence concept last August. The construction will be of Woodland brown Trex for the pickets and top rail, and pressure treated lumber for the posts and supports, stained to match the Trex. The lumber will provide better structural strength to support the pickets.

Cathy Brosius made a motion to accept the Resolution to adopt the patio fence documents. Mike Immordino seconded and the motion carried.

Lee Vroble asked about the existing fences. Cathy Brosius said the next step would be to prepare and approve a proposal about a plan and time frame for what should be done with the existing fences. Lee was concerned that most owners were not aware of this project and requested that the information be sent to all owners. Paul Hage responded that the information had been provided to the owners in several ways since last August, including in the meeting minutes and posting on the bulletin board. Dan Ulmer said the drawings could be scanned and put up on the website.

D. Reserve Capital Spending Committee

Paul Hage has been out of town for several weeks but he will work with Dan Ulmer over the next few weeks to provide a final report on Reserve Capital Spending before the Annual Meeting.

E. Rules and Regulations Review

Cathy Brosius provided a revised draft of Rules and Regulations. Cathy Brosius made a motion to approve the Rules and Regulations as presented to supersede the previous version. Bob Price seconded. In discussion, Paul Hage noted he had made some comments but added that he supported the final form. The motion carried. It may not be possible to get the document translated into Spanish due to changes in the office staff.

F. Architectural Review Committee

The Architectural Review Committee had nothing new to report.

G. Playground Equipment

Dan Ulmer recommended waiting until the fire-related costs are clarified before making any decisions on playground equipment.

H. *Zone Valves and Key Verification*

Dan Ulmer will send a letter to all owners next week informing them of the start date for the zone valve project. Work will start in the buildings at the top of the hill. Dan noted that the process has been slowed due to missing door keys. Owners on the payment plan should have made their last payment as of June 1st.

I. *Building G Fire Update*

Wayne Ryon asked which entity was holding up the process. Richard Garcia explained that the Colorado Department of Public Health and Environment, Asbestos Division, had numerous requirements that had to be met. Dan Ulmer said it would take at least two weeks to get the permit for asbestos removal. Richard pointed out they were actually several months ahead of schedule. Once the utilities are restored, there will have to be abatement of the asbestos in all the burned units. Once the abatement has been completed the construction company will restore the damaged areas. Paul Hage recommended owners consider "loss of rent" insurance coverage that would provide coverage for situations such as this.

J. *On Site Security Service*

Bob Price reviewed his project plan. Paul Hage said this was another project that would need to be prioritized on the "big list". The Security Committee was authorized to move forward as outlined in the proposal.

IX. NEW BUSINESS

A. *Wasatch Energy Contract*

The gas contract is up for renewal. The terms will be the same as the previous contract. Richard Garcia said the contract sent by the gas provider was the one from last year. Dan Ulmer will have the updated contract emailed to Richard. Sylvia Dowty made a motion to accept the contract when received with the correct date. Paul Hage seconded and the motion carried.

B. *Roof Venting Contract*

The Z Building roof venting project was previously approved for \$4,600.

X. SET NEXT MEETING DATE

The next Board Meeting will be Wednesday, June 20, 2007 at 7:00 p.m. in the Clubhouse.

XI. ADJOURNMENT

Bob Price made a motion to adjourn at 9:00 p.m.

Approved By: _____
Board Member Signature

Date: _____

Addendum – Financial Report

DILLON VALLEY EAST
FINANCIAL SUMMARY
AS OF APRIL 30, 2007

Summary Balance Sheet

	Operating	Reserve	Total
Cash Accounts	18,166.37	263,784.96	281,951.33
Other Current Assets	29,471.73		29,471.73
Fixed Assets (net of depreciation)	179,009.13		179,009.13
	<u>226,647.23</u>	<u>263,784.96</u>	<u>490,432.19</u>
Current Liabilities	63,127.15	(42,770.00)	20,357.15
Long Term Liabilities	155,412.00		155,412.00
Donated Capital	2.00		2.00
Retained Earnings	65,943.15	287,918.76	353,861.91
YTD Net Income	<u>(57,837.07)</u>	<u>18,636.20</u>	<u>(39,200.87)</u>
Total Liabilities & Equity	<u>226,647.23</u>	<u>263,784.96</u>	<u>490,432.19</u>

Operating Fund P&L

	Actual	Budget	Diff
April Total Income	122,669.78	121,197.99	1,471.79
April total Expenses	<u>166,114.77</u>	<u>160,720.33</u>	<u>5,394.44</u>
April Net Income	<u>-43,444.99</u>	<u>-39,522.34</u>	<u>-3,922.65</u>
	Actual	Budget	Diff
YTD Total Income	489,948.18	484,791.96	5,156.22
YTD total Expenses	<u>547,785.25</u>	<u>583,079.86</u>	<u>-35,294.61</u>
YTD Net Income	<u>-57,837.07</u>	<u>-98,287.90</u>	<u>40,450.83</u>

YTD:

Gas is under budget by \$47,946.39

Boiler Repair is over budget by \$6,790.55 - had to replace a hot water storage tank

Repaint hallways is under budget by \$7,183.94. Timing difference

Snow removal is under budget by \$6,535.65

Damage Claims is over budget by \$8,047.93. Will recoup some from insurance co.

Water & Sewer is under budget by \$4,790.78

Clubhouse maintenance is over budget by \$3,696.31 - bought new monitor for security system.

Truck/ATV expense is over budget by \$2,592.24

Pool/Spa/Sauna is over budget by \$7,035.73

Dillon Valley East Condominium Association

Notes from the Prez

Greetings

Building G restoration is moving along - just not as fast as everyone wants it to. We are working with asbestos removal and containment. In this situation, we cannot cut corners or skip steps. For the safety of all involved, we need to follow stringent guidelines. For owners and renters in building G, we are working on restoring the electrical power and will notify those owners who may move back into their units as soon as power and heat are restored.

Parking

We are still not hearing from several owners who have not asked for a new Parking Permit. We are now handing out \$50 fines for having the wrong Parking Permit. This action is getting people's attention. Please avoid a fine and get your new Parking Permit. You may click on https://www.dillonvalley.org/forms/form_parking_permits.htm to apply for a permit on-line. Or call the clubhouse at 970-468-1371 and ask that a Parking Permit Request be mailed to you.

Wood Chips

We have an abundance of wood chips for free. Bring your bags or trucks. If you are using a pickup truck, please cover the chips so they do not litter the streets and highway. Our staff will NOT assist you with loading or bagging. You do so at your own risk. The wood chips are located next to the tennis courts. You cannot miss them.

Hot Water Temperature

The hot water in all buildings has been lowered to regulated standards and to also cut our cost on natural gas. You may not experience the dangerous high water temperature during the summer. If your water is cold when you shower, you may want to adjust your schedule.

Fences

Owners of first floor units may install fence around their patio area. Guidelines will soon be available at the clubhouse and on-line. We are encouraging owners to erect fences to hide all that extra "stuff" that gathers on the patios. The fence guideline is very detailed. You will not be allowed to build a fence using the "free form" method or use cheap material. As one drives or walks along Straight Creek Drive, the eye is drawn to "stuff" on the first floor patios and I am sure we all agree that the "stuff" looks real trashy.

Rules & Regulations

The Rules and Regulations have been updated and are available either on-line or at the clubhouse. They will also be mailed to each owner. Each owner who rents or loans their unit is responsible to have a copy of the Rules given to their tenant or guest. Having a rental agent does not relieve owners of their liability to the association. All warnings and fines are issued to the owner, not the agent.

Receive Minutes and Notes by E-mail

If you would like to receive the minutes and general communication through your e-mail, send a note to subscribe@dillonvalley.org. Please include your name, unit number, and phone number for verification.

Sincerely,

Richard Garcia

President

Dillon Valley East Condominium Association